

NCA
VOC FOR IOP/FN
BACKGROUND NO. 5-5644
DICK JOYCE

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AMERICAN BUSINESS ON TECHNOLOGY TRANSFERS

ANNCR:

THE LEADERS OF AMERICA'S MAJOR BUSINESS FIRMS AND CORPORATIONS HAVE WORKED OUT A COMMON POSITION ON THE PROBLEM OF TRANSFERRING TECHNOLOGY TO THE LESS DEVELOPED WORLD.

VOA'S DICK JOYCE HAS THIS BACKGROUND REPORT.

VOICE:

THE UNITED NATIONS CONFERENCE ON SCIENCE AND TECHNOLOGY FOR DEVELOPMENT IS MORE THAN A YEAR AWAY. BUT PREPARATIONS FOR THE MEETING HAVE BEEN UNDER WAY FOR MORE THAN EIGHT MONTHS HERE IN THE UNITED STATES. MORE THAN TWO HUNDRED HIGH-LEVEL EXECUTIVES OF MAJOR AMERICAN CORPORATIONS HAVE CONCLUDED A SERIES OF MEETINGS AND WORKSHOPS, AND HAVE NOW PRESENTED THEIR RECOMMENDATIONS TO UNDER SECRETARY OF STATE JEAN WILKOWSKI, WHO IS COORDINATING U.S. PARTICIPATION IN THE AUGUST 1979 U.N. CONFERENCE IN GENEVA.

AT A MEETING THE OTHER DAY, WILLIAM MOFFETT, VICE PRESIDENT OF GULF OIL COMPANY, SERVED AS SPOKESMEN FOR THE BUSINESS COMMUNITY. THE TRANSFER OF TECHNOLOGY FROM AN INDUSTRIALIZED COUNTRY TO THE NATIONS OF THE THIRD WORLD MR. MOFFETT SAID, CAN BE EFFECTED BY SEVERAL MEANS. IT CAN INVOLVE LICENSES, DIRECT INVESTMENTS, JOINT VENTURES, TECHNICAL ASSISTANCE, MANAGEMENT CONTRACTS, OR SALE OF PATENTS.

MR. MOFFETT NOTED THAT THE DEVELOPING COUNTRIES ARE PRESSING FOR NEW SYSTEMS AND INSTITUTIONS AT THE GOVERNMENT LEVEL AND NEW POLICIES AND PROGRAMS REGARDING TECHNOLOGY TRANSFER. AMERICAN CORPORATIONS, HE SAID, BELIEVE THAT THE SYSTEM ALREADY IN EXISTENCE WORKS PRETTY WELL. THE DEVELOPING

COUNTRIES, HE SAID, MUST RECOGNIZE THAT THE UNITED STATES GOVERNMENT HAS VERY LITTLE CONTROL OVER TECHNOLOGY AND ITS TRANSFER. TECHNOLOGY BELONGS TO THE BUSINESSES AND CORPORATIONS WHO DEVELOPED IT AND CONTINUE TO REFINE IT.

ANY EXPORT OF TECHNOLOGY, HE EMPHASIZED, DEPENDS ON WHATEVER INCENTIVES ARE OFFERED BY A SUITABLE AND ATTRACTIVE ECONOMIC, LEGAL AND POLITICAL ENVIRONMENT. THE PRIVATE SECTOR IN THE UNITED STATES, MR. MOFFETT SAID, BELIEVES THAT IT IS A FUNDAMENTAL RESPONSIBILITY OF THE GOVERNMENT AND THE PRIVATE SECTOR TO COMMUNICATE TO THE DEVELOPING WORLD THAT TECHNOLOGY WILL CONTINUE TO FLOW MOST PRODUCTIVELY IF THE EXISTING TRANSFER SYSTEM IS ALLOWED TO OPERATE FREELY. THE BUSINESS SPOKESMAN WARNED THAT IT IS NOT IN THE LONG-TERM INTEREST OF THE DEVELOPING NATIONS TO DRASTICALLY CHANGE THE ESSENTIAL FEATURES OF THE EXISTING SYSTEM FOR TECHNOLOGY TRANSFER.

ONE MAJOR PROBLEM IN DEVELOPING COUNTRIES, MR. MOFFETT OBSERVED, IS THE LACK OF A FAVORABLE ENVIRONMENT FOR PROFESSIONAL AND PERSONAL ADVANCEMENT, AND FOR PRIVATE AND PUBLIC ENTREPRENEURIAL ACTIVITIES. THIS, HE SAID, CONDITIONS THE ABILITY TO USE, ADAPT, AND DEVELOP TECHNOLOGY. IN ADDITION, MR. MOFFETT SAID, IT IS IMPOSSIBLE TO SET A UNIVERSAL OR GLOBAL POLICY GOVERNING TECHNOLOGY TRANSFER, BECAUSE EACH TRANSACTION MUST BE MADE ON AN INDIVIDUAL BASIS.

IN THE FINAL ANALYSIS, MR. MOFFETT CONCLUDED, U.S. FIRMS TRANSFER TECHNOLOGY WHENEVER THERE IS AN OPPORTUNITY TO CARRY OUT BUSINESS WITH AN ADEQUATE RETURN, AND THAT DEPENDS ON THE PRESENCE IN THE DEVELOPING WORLD OF SUITABLE AND STABLE POLITICAL, LEGAL, ECONOMIC AND PHYSICAL ENVIRONMENTS FOR INVESTMENT OR TECHNOLOGY TRANSFER.